

Regular Session, 2009

SENATE BILL NO. 69

BY SENATOR CROWE

TAX/AD VALOREM. Authorizes those eligible for the special assessment level which freezes the value of their homesteads to receive a credit for taxes paid if they file for the special assessment level after the first year in which they are eligible. (gov sig)

AN ACT

To amend and reenact R.S. 47:1712, relative to ad valorem property tax refunds or credits; to authorize those who qualify for the special assessment level to receive a refund or credit of taxes paid; and to provide for related matters.

Be it enacted by the Legislature of Louisiana:

Section 1. R.S. 47:1712 is hereby amended and reenacted to read as follows:

§1712. Application procedure; special assessment level

A. Any person who qualifies for the special assessment level set forth in Article VII, Section 18(G) of the Constitution of Louisiana shall annually apply for the special assessment by completing an application form certifying his qualifications for the special assessment. Such application and each annual renewal may be submitted in person or by first class mail. The application form shall be designed by the tax commission and shall be provided to every assessor in this state. The assessor shall not keep a copy of the applicant's federal or state income tax return or picture identification of the applicant for his records.

B.(1)(a) A person shall receive the special assessment level for any tax year for which he qualifies for it. If the person applies for the special assessment

1 level in a tax year after the first tax year in which he first qualifies for it, he may
2 also receive, either a refund or a credit against present and future ad valorem
3 property taxes equal to the amount of such taxes paid during tax years when he
4 qualified for the special assessment level as provided for in this Subsection.

5 (b) The amount of the refund or credit shall be calculated as the
6 difference between the following:

7 (i) The amount of ad valorem property tax paid with respect to the
8 property for the year in which the person was first eligible for the special
9 assessment level.

10 (ii) The amount of ad valorem property tax that would have been paid
11 with respect to the property if the person had applied for and received the
12 special assessment level in such year.

13 (2)(a) Such person shall certify to the assessor of the parish that his
14 adjusted gross income for the year or years in which he was first eligible for the
15 special assessment level, satisfied the income requirement set forth in Article
16 VII, Section (18)(G)(1)(a)(ii) of the Constitution of Louisiana.

17 (b) The person shall receive a credit against the person's present and
18 future ad valorem property tax. However, in the event a credit will not provide
19 to the person full reimbursement for previous taxes paid because the person's
20 ownership of the property will end because of sale of the property or the death
21 of the last eligible person, or because conditions for the special assessment level
22 will end, the person may receive a refund.

23 (3) The credit or refund provided for in this Subsection shall be only
24 available to the person for the three years immediately preceding the year in
25 which the person applied for and received the special assessment level.

26 Section 2. This Act shall become effective upon signature by the governor or, if not
27 signed by the governor, upon expiration of the time for bills to become law without signature
28 by the governor, as provided by Article III, Section 18 of the Constitution of Louisiana. If
29 vetoed by the governor and subsequently approved by the legislature, this Act shall become

1 effective on the day following such approval.

The original instrument was prepared by Riley Boudreaux. The following digest, which does not constitute a part of the legislative instrument, was prepared by Linda Nugent.

DIGEST

Crowe (SB 69)

Present constitution provides a "special assessment level" "freezing" the assessment value of the homestead of the following people (and certain of their spouses - if they are below the qualifying income level) at the value of the homestead in the first year that such person "qualifies for and receives" the special assessment level:

1. People who are 65 or older.
2. People who have a service-connected disability rating of 50% or more by the U.S. Department of Veterans Affairs.
3. Members of the U.S. armed forces or the Louisiana National Guard who owned and last occupied the homestead who are killed in action, or who are missing in action or are a prisoner of war for a period exceeding 90 days.
4. Any person "permanently totally disabled" as determined by a final non-appealable judgment.

Proposed law specifically authorizes a person to receive a credit or refund if he applies for the special assessment level in a tax year after the first tax year he first qualifies for it, according to the following:

1. The amount of the refund or credit is the difference between the amount of property tax paid for the year in which the person was first eligible for the special assessment level and the amount that would have been paid if the person had applied for and received the special assessment level in such year; but he must certify to the assessor of the parish that his adjusted gross income for that year or years satisfied the income requirement in the La. Constitution (now at \$64,655 for the 2009 Tax Year).
2. The person receives a credit against present and future property tax unless he will not get full reimbursement because the person's ownership of the property will end because of sale of the property or the death of the last person eligible for the special level, or because conditions for the special assessment level end. In that case, the person may receive a refund.

Proposed law is only "available" to the person for the three years immediately preceding the year in which the person applied for and received the special assessment level.

Effective upon signature of the governor or lapse of time for gubernatorial action.

(Amends R.S. 47:1712)

Summary of Amendments Adopted by Senate

Committee Amendments Proposed by Senate Committee on Revenue and Fiscal Affairs to the original bill.

1. Eliminates the "option" of the tax payer receiving a refund or a credit, and requires the taxpayer to receive a credit, unless he is not fully reimbursed because the right to the special assessment level ends because of a sale of the property, death, or because conditions for the special assessment level end, in which case he receives a refund for the balance.
2. The credit is only "available" to the person for the three years immediately preceding the year in which the person applied for and received the special assessment level.

Senate Floor Amendments to engrossed bill.

1. Technical amendments.